

This is a proposal to consider the acquisition of two separate ownerships totaling 12,808± acres of private land for an addition to the Department of Fish and Game's (DFG) Yolo Bypass Wildlife Area. Upon the purchase of the properties, they will come under the management of the DFG.

There are several leases now in effect on the properties and as a condition of sale these leases will remain in effect until affected local, state and federal agencies and nearby private landowners have had an opportunity to discuss management strategies with the DFG.

All properties located within the Yolo Bypass will continue to serve their primary purpose of flood control. The DFG is signatory to an agreement with the California Department of Water Resources, the State Reclamation Board, and the United States Fish and Wildlife Service regarding the management and maintenance of the Yolo Bypass Wildlife Area as a part of the Sacramento River Flood Control Project. If necessary, this agreement will be amended to ensure that future management of these proposed properties to the Yolo Bypass Wildlife Area will not compromise flood control purposes.

The CALFED Bay-Delta Program recognizes in its Final Programmatic Environmental Impact Study/Report and Record of Decision the benefits of protected and restored habitats in the Yolo Bypass. While this proposal to expand the existing Yolo Bypass Wildlife Area will not be funded through the CALFED Program, the management strategy will be developed in cooperation with the CALFED Ecosystem Restoration Program. (Note that the CALFED Ecosystem Restoration Program provided a grant to the Yolo Basin Foundation to develop a locally based management strategy for the entire Yolo Bypass.)

These acquisitions are exempt from the California Environmental Quality Act (CEQA) under Section 15313 and Class 13 of Categorical Exemptions as an acquisition of land for wildlife protection, and the appropriate Notice of Exemption was filed on July 16, 2001. Any future management strategy that proposes changes in current land use may be subject to additional documentation under CEQA. In this case, the additional CEQA documentation may tier from the CALFED Final Programmatic EIS/R.

The Yolo Bypass Wildlife Area lies south of Interstate 80, east of County Road 104 and within and adjacent to the Yolo Bypass in Yolo County.

The existing wildlife area provides the public with a managed public hunting program for waterfowl and upland game and offers educational programs through the Yolo Basin Foundation. Additionally, the DFG provides programs for fishing, wildlife viewing and other nature-oriented activities.

Expansion of the Yolo Bypass Wildlife Area will allow for the preservation of historic wetlands, wintering habitat for waterfowl, shorebirds, threatened and endangered species and other wetland associated species. The properties are generally accessed via Interstate Highway 80 to Chiles

Road, then over the west levee of the bypass to and through the state's ownership and/or continuing southerly on the west levee until reaching the properties. The most southerly portion of Expansion 3 may also be reached via the county road system on its westerly side.

The Yolo Bypass Wildlife Area is a result of a twelve-year-long cooperative effort to preserve wetlands and associated habitats of the Yolo Basin, involving several local, state and federal agencies and other private sector entities. The Wildlife Conservation Board (WCB) approved the wildlife area's original acquisition of 3,150± acres at its February 12, 1991 meeting. Expansion 1, consisting of 390 acres, was approved at its February 10, 1994 meeting, and Expansion 2, consisting of 180± acres of wetland area and 15± acres for a headquarters site, at its August 11, 1994 meeting. Presently the wildlife area plus the headquarters site total approximately 3,735 acres.

The subject properties, designated as Expansion 3 and 4, are more specifically described as follows:

Expansion 3

\$14,900,000.00

This expansion is one ownership and consists of three separate ranches commonly known as the Causeway, Geiberson and Tule ranches which are described below:

Causeway Ranch

This parcel contains 2,966± acres having a maximum length, north /south, of 3 miles and width, east/west, of 2.5 miles. It is, in effect, an inholding at the northern end of the state's property. It has common boundaries with the state's area on the northerly and westerly sides. The property is currently leased and is farmed to row crops. Located on the ranch, and its most notable feature, is a 25± acre lake named Green Lake. The lake is surrounded by riparian growth and is one of the very few mature riparian areas existing within the bypass. The property has riparian water rights and water is drawn from the Toe Drain, which lies at the eastern boundary of the ranch, and transferred to a series of canals and ditches via low lift pumps, for delivery to all areas of the ranch.

There is a flowage easement over the ranch that allows for water to be diverted from the Sacramento River during peak flows. This has resulted in the property being inundated by flood waters, an annual occurrence in recent years, providing valuable habitat for migratory waterfowl and other water-dependent species.

The property is offered for sale subject to the present farming lease. Additionally, there is a portion of the ranch, approximately 182± acres, that lies adjacent to and northerly of the railroad tracks that may be determined to be in excess of the DFG needs. If DFG determines that this is the case, this acreage may be considered for sale or exchange. Other than the water delivery systems, which will be acquired by the state, there are no improvements on the ranch. All mineral rights are being retained by the owner.

Geiberson Ranch

The subject is located predominately on the west side of the Yolo Bypass levee, approximately 1.5 miles south of Interstate 80. It is accessed primarily by the west levee and contains 160± acres, 30± of which lie within the bypass and comprise an inholding to the state's wildlife area. The property lying within the bypass is subject to flooding. The 130± acre parcel outside the bypass has no water rights and is serviced by a 60hp pump and well. It is currently being farmed under a lease, which is to be accepted by the state as a condition of the sale, and the mineral rights are being reserved by the owners. Other than the well and pump, which will be acquired by the state, there are no improvements on the property.

Tule Ranch

This ranch is located in the Yolo bypass generally between County Road 105 and the Sacramento Deep Water Channel and approximately 4.5 miles south of Interstate 80 in the southeastern portion of Yolo County. It is approximately 9,000± acres in size with a maximum width, east/ west, of 4.25 miles and length, north/south, of 4 miles. The vegetation is a combination of native pasture, row and field crops and riparian vegetation located along the waterways and in the wetland areas.

There are numerous intermittent streams located on this ranch. These waterways are quite extensive and are generally associated with the existing wetlands and/or ponds. The Tule Ranch has riparian water rights from the Toe Drain, which is located at the eastern boundary of the property. The water is delivered via a series of canals and lift pumps to all areas of the ranch. There is a flowage easement over the ranch and a large portion of the ranch has flooded each year for the last several years. The southern portions of the Tule Ranch contain a fine assemblage of plants typical of vernal pool areas, including annual hairgrass, downingia, coyote-thistle and two varieties of milkvetch. The property is currently leased for farming and cattle grazing and the state will assume ownership of these leases as a condition of sale.

The property contains numerous improvements, including a main residence, a garage, shop, a second residence, sheds, four barns, several storage buildings, fuel tanks, fencing and corrals, all of which are located in the southwest quadrant of the ranch and are related to the cattle lease operation.

There are areas of the Tule Ranch, mainly in the southern portion, that may be determined to be in excess of the DFG's needs and may be recommended by the DFG for sale or exchange sometime in the future.

The three ranches have been appraised at \$16,000,000.00. The values have been reviewed and approved by the State Department of General Services (DGS). The owners have agreed to sell the property at less than the fair market value, \$14,800,000.00, providing the state with a donation of \$1,200,000.00. In addition to the purchase price, an additional \$50,000.00 will be needed for

DFG start-up costs, consisting of posting, fences and gates and environmental and archeological surveys. A further sum of \$50,000.00 will be needed for escrow, title, DGS review fees and other associated expenses, bringing the total proposed expenditure for Expansion 3 to \$14,900,000.00.

<u>Expansion 4</u>	<u>\$1,721,300.00</u>
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This parcel is located almost entirely within the Yolo Bypass area. It consists of 685± acres of land. It is improved with a single family residence and a well and pumps. The property adjoins the wildlife area at the state's southern boundary. The residence is located outside the bypass area and westerly of the west levee and could eventually be converted into an interpretive center if management planning determines it to be appropriate. The land is currently being farmed and, as a condition of sale, the state will acquire the property subject to the lease. The owner will be reserving all mineral rights.

The purchase would be part of a larger parcel and would require a survey to determine the exact number of acres in the acquired portion. At the time of this writing, the survey has not been completed. Therefore, the exact purchase price has not been determined. It is estimated, however, that it will not exceed the requested allocation herein. Any excess funds allocated as a part of this transaction will be recovered upon completion of acquisition.

As in Expansion 3, management of the property, including management of any lease, will be undertaken by the DFG. The purchase price is \$1,697,000.00, based on an appraisal which was reviewed and approved by DGS. An additional \$24,300.00 will be needed for DGS review services, survey costs, appraisal fees, title and escrow fees.

These acquisitions are exempt from the California Environmental Quality Act under Section 15313 and Class 13 of Categorical Exemptions as an acquisition of land for wildlife protection and the appropriate Notice of Exemption has been filed.

Staff recommends that the Board approve the acquisition of these ownerships as proposed; allocate \$14,800,000.00 from General Fund Wetlands; \$100,000.00 from P-12 5096.350 (a) (1) (A) inlands wetlands, for a total of \$14,900,000.00 for Expansion 3 and allocate \$1,730,000.00 from P-12 5096 (a) (1) (A) for the purchase of Expansion 4; authorize staff to enter into the necessary leases and agreements as required as conditions of the purchases; authorize staff to dispose of or exchange any portions of the property determined by the DFG to be in excess of its needs; and authorize staff and the DFG to proceed substantially as planned.